

## Message Text

CONFIDENTIAL

PAGE 01 ROME 17240 171236Z

44

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 040463

R 171000Z SEP 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC 6925

C O N F I D E N T I A L ROME 17240

EXDIS

E.O. 11652: GDS

TAGS: PINT, PFOR, OVIP (PRESIDENT LEONE), IT, NATO

SUBJECT: ITALIAN LEADERS VIEW DOMESTIC AND INTERNATIONAL SCENE

1. IN RECENT DAYS I HAVE TALKED WITH PRESIDENT LEONE (SEPTTEL) AND SEVERAL LEADERS OF THE CENTER-LEFT PARTIES TO SOUNCE OUT THEIR VIEWS ON THE CURRENT DOMESTIC POLITICAL AND ECONOMIC SITUATION AND TO DISCUSS THE CURRENT PCI CAMPAIGN FOR GREATER PARTICIPATION IN THE ITALIAN GOVERNMENT AND THE RELATED ISSUE OF ITALY'S ROLE IN NATO. ALTHOUGH THE LEADERS WITH WHOM I MET (DONAT CATTIN, LA MALFA, MANCINI AND TANASSI) DIFFER MARKEDLY IN POLITICAL COLARATION AND THEIR ASSESSMENT OF THE REASONS FOR THE CURRENT SITUATION, THEY EXPRESSED REMARKABLY SIMILAR OPINIONS ON SEVERAL KEY ISSUES.

2. IN VIEW OF LEFT-WING EFFORTS IN THE WAKE OF THE CYPRUS CRISIS TO FORESTALL ANY POSSIBLE INCREASED NATO COMMITMENT FOR ITALY, I DISCUSSED THE ITALIAN NATO ROLE AT LENGTH. I POINTED OUT THE FALLACY IN THE LEFT-WING ARGUMENT THAT ITALY SHOULD NOT ACCEPT FURTHER NATO COMMITMENTS BECAUSE OF THE GREATER "RISKS" THIS WOULD ENTAIL POINTING OUT THAT IN FACT THE INCREASED RISK ON THE SOUTHERN FLANK MAKES ALL THE MORE ESENTIAL THE MAINTENANCE OF A STRONG ALLIANCE. THE FOUR PARTY LEADERS WITH WHOM I MET ALL EXPRESSED SUPPORT FOR A CONTINUED, VIGOROUS ITALIAN ROLE IN NATO. PREDICTABLY, TANASSI AND LA MALFA WERE MORE OUTSPOKEN THAN DONAT CATTIN OR MAINCINI IN WARINING OF PCI ATTEMPTS TO GRADUALLY SAP ALLIANCE STRENGTH. HOWEVER, DONAT CATTIN TERMED THE ALLIANCE ESSENTIAL FOR ITALY'S PRESERVATION, AND MANCINI AGREED THAT ITALY SHOULD CONTINUE

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ROME 17240 171236Z

IN NATO.

3. IN FOUND A SUBSTANTIAL SIMILARITY OF VIEWS REGARDING THE CONTROVERSIAL ISSUE OF PCI PARTICIPATION IN THE GOVERNMENT. MANCINI AGREED WITH ME THAT PCI ENTRY INTO THE GOVERNMENT WOULD BE HARMFUL AND COULD DESTROY CONFIDENCE ON THE PART OF ITALY'S ALLIES AND EC PARTNERS. HE TOLD ME THAT DE MARTINO AND OTHER "RESPONSIBLE" PSI LEADERS SHARE HIS VIES. MANCINI SHARPLY CRITICIZED UNNAMED DC LEADERS (E.G., GALLONI AND GRANTELL) FOR TOO CLOSE COLLABORATION WITH THE PCI AND FOR LOOSE TALK ABOUT THE POSSIBILITY OF THE COMMUNISTS ENTERING THE GOVERNMENT. DONAT CATTIN ALSO SHOWED HIMSELF HOSTILE TO THE IDEA OF PCI ENTRY INTO THE GOVERNMENT BUT WAS CAREFUL NOT TO CRITICIZE HIS DC COLLEAGUES. INSTEAD HE BLAMED THE SOCIALISTS FOR PUSHING THE PCI FOWARD AND ALSO TOOK A POT SHOT AT MONTEDISON HEAD AND FANFANI ALLY EUGENIO CEFIS, ALLEGING THAT HE WOULD BE HAPPY TO SEE THE PCI IN THE GOVERNMENT. LA MALFA AND TANASSI, OF COURSE, CONTINUE TO STRONGLY OPPOSE PCI ENTRY INTO THE COALITION. TANASSI WENT SO FAR AS TO SUGGEST THAT SOME OF THE LARGER US FIRMS SHOULD INDICATE PUBLICLY THAT THEY WOULD STRONGLY CONSIDER THE POSSIBILITY OF PULLING OUT OF ITALY IF THE PCI CAME INTO THE COALITION.

4. EXCEPT FOR LA MALFA, THE LEADERS WITH WHOM I TAKED WERE GENERALLY OPTIMISTIC THAT THE GOVERNMENT'S ECONOMIC STABILIZATION PROGRAM MIGHT HAVE A CHANCE OF SUCCESS IF SERIOUSLY IMPLEMENTED. THEY EMPHASIZED THE IMPORTANCE OF DEVELOPING AN EFFECTIVE AND FAIR TAXATION SYSTEM AND BOTH MANCINI AND DONAT CATTIN COMMENTED HEATEDLY ON THE NEED TO INSURE THAT PROFESSIONAL PEOPLE AND BUSINESSMEN PAY THEIR TAXES.

5. IN CONTRAST TO THEIR QUALIFIED OPTIMISM CONCERNING THE PROSPECTS FOR THE GOVERNMENT'S STABILIZATION PROGRAM, SOME OF THE LEADERS I SPOKE WITH ARE PESSIMISTIC ABOUT THE DURABILITY OF THE RUMOR GOVERNMENT AND EVEN OF THE CENTER-LEFT FORMULA. TANASSI AND LA MALFA FOREWAS THE POSSIBILITY OF EARLY POLITICAL ELECTIONS NEXT PSRING AND EXPRESSED THE HOPE THAT, IN THAT EVENT, THE DC, PRI, PSDI AND LEBERALS COULD WORK TOGETHER CLOSELY IN THE CAMPAIGN. (OTHER PSDI LEADERS, SUCH AS ANTONIO CARIGLIA, HAVE ALSO

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 ROME 17240 171236Z

SPOKEN OF THE POSSIBILITY THAT EARLY ELECTIONS MAY BE NECESSARY.) LA MALFA ALSO EXPRESSED THE HOPE THAT A CHANGE OF LEADERSHIP COULD BE BROUGHT ABOUT IN THE CISL, AND THAT THE CISL AND UIL MIGHT EVENTUALLY BE ABLE TO UNITE TO FORM A COUNTERBALANCE TO THE COMMUNIST-COMINATED CGIL. DONAT CATTIN FELT THAT THE PRESENT GOVERNMENT IS HOPELESSLY WEAK AND THAT, IN THE FACE OF EVER-INCREASING SOCIALIST DEMANDS, DCM INTERESTS WOULD BE SERVED BY AN EARLY CRISIS AND THE

ASSUMPTION OF THE PREMIERSHIP BY FANFANI. ALTHOUGH DONAT CATTIN DOUBTED THAT UNIFICATION OF THE THREE MAJOR LABOR UNIONS AROUND THE UNCLEUS OF THE COMMUNIST-COMINATED CGIL IS LIKELY AT PRESENT, HE WAS ALSO SKEPTICAL REGARDING THE POSSIBILITY THAT A NEW CISL-UIL UNION, EXCLUDING CGIL, WOULD DEVELOP.

6. COMMENT FOLLOWS SEPTEL. VOLPE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, COLLECTIVE SECURITY, ECONOMIC STABILITY, CHIEF OF STATE VISITS, FOREIGN POLICY POSITION, POLITICAL LEADERS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 SEP 1974  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** cunninfx  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974ROME17240  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740260-0179  
**From:** ROME  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740938/aaaabgmr.tel  
**Line Count:** 123  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION SS  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** EXDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** EXDIS  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** cunninfx  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 MAY 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <24 MAY 2002 by shawdg>; APPROVED <06 MAR 2003 by cunninfx>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ITALIAN LEADERS VIEW DOMESTIC AND INTERNATIONAL SCENE  
**TAGS:** PINT, PFOR, OVIP, IT, NATO, (PRESIDENT LEONE)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005